
From: Matt Booty
To: Tim Stuart
Sent: 12/17/2019 9:49:11 PM
Subject: RE: GP ARPU

Thanks for sharing.
A lot to digest here. Will read it in detail.

A different view to the general view below might be that we (Microsoft) are in a very unique position to be able to go spend Sony out of business. If we think that video game content matters in 10 years, we might look back and say, "Totally would have been worth it to lose \$2B or \$3B in 2020 to avoid a situation where Tencent, Google, Amazon or even Sony have become the Disney of games and own most of the valuable content." For example, it is practically impossible for anyone to start a new video streaming service at scale at this point. What content do you base it on? Things like Hulu and CBS All Access will be trivial players in the space. In games, Google is 3 to 4 years away from being able to have a studio up and running. Amazon has shown no ability to execute on game content. Content is the one moat that we have, in terms of a catalog that runs on current devices and capability to create new. Sony is really the only other player who could compete with Game Pass and we have a 2 year and 10M subs lead.

If we reverse course on day and date, it's going to be hard to convince folks that things like Mixer or Xcloud have much of a chance of surviving scrutiny either.

From: Tim Stuart [REDACTED] >
Sent: Tuesday, December 17, 2019 1:21 PM
To: Matt Booty [REDACTED] >
Subject: FW: GP ARPU

[REDACTED]

[REDACTED]

From: Amy Hood <[REDACTED]>
Sent: Tuesday, December 17, 2019 8:46 AM
To: Phil Spencer [REDACTED] >; Chris Capossela [REDACTED] >; Jerret West [REDACTED] >; Tim Stuart [REDACTED] >
Cc: Bill Duff [REDACTED] >
Subject: RE: GP ARPU

[REDACTED]

[REDACTED]

[REDACTED]

Amy

From: Phil Spencer <[REDACTED]>
Sent: Tuesday, December 17, 2019 8:04 AM
To: Amy Hood <[REDACTED]>; Chris Capossela <[REDACTED]>; Jerret West
<[REDACTED]>; Tim Stuart <[REDACTED]>
Cc: Bill Duff <[REDACTED]>
Subject: RE: GP ARPU

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Phil

From: Amy Hood <[REDACTED]>
Sent: Monday, December 16, 2019 11:57 PM
To: Phil Spencer <[REDACTED]>; Chris Capossela <[REDACTED]>; Jerret West
<[REDACTED]>; Tim Stuart <[REDACTED]>
Cc: Bill Duff <[REDACTED]>
Subject: Re: GP ARPU

[REDACTED]

[REDACTED]

Amy

From: Phil Spencer <[REDACTED]>
Sent: Monday, December 16, 2019 4:51:24 PM
To: Amy Hood <[REDACTED]>; Chris Capossela <[REDACTED]>; Jerret West
<[REDACTED]>; Tim Stuart <[REDACTED]>
Cc: Bill Duff <[REDACTED]>
Subject: RE: GP ARPU

[REDACTED]
[REDACTED]
[REDACTED]

Phil

From: Amy Hood <[REDACTED]>
Sent: Monday, December 16, 2019 3:29 PM
To: Chris Capossela <[REDACTED]>; Jerret West <[REDACTED]>; Phil
Spencer <[REDACTED]>; Tim Stuart <[REDACTED]>
Cc: Bill Duff <[REDACTED]>
Subject: GP ARPU

Chris, Jerret, Phil and Tim,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Amy